

**Charity registration number: 266813**  
**Company registration number: 349408**

**SOCIETY FOR ENDOCRINOLOGY**  
**(A COMPANY LIMITED BY GUARANTEE)**

**FINANCIAL STATEMENTS**  
**For the year ended 31 July 2013**



# SOCIETY FOR ENDOCRINOLOGY

## FINANCIAL STATEMENTS – For the year ended 31 July 2013

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## **SOCIETY FOR ENDOCRINOLOGY**

### **REPORT OF THE COUNCIL OF MANAGEMENT**

#### **Reference and administrative details of the charity, its Trustees and advisors**

The Society for Endocrinology is a company limited by guarantee governed in accordance with its Memorandum and Articles of Association.

The administrative information required to be given is as follows:

**Charity Registration No:** 266813

**Company Registration No:** 349408

**Principal and registered Office:** 22 Apex Court  
Woodlands  
Bradley Stoke  
Bristol BS32 4JT

**Council of Management:** Professor A B Grossman (President)  
Professor D W Ray (General Secretary)  
Professor G R Williams (Treasurer)  
Professor C J McCabe (Programme Secretary)  
Dr S G Ball  
Professor K Chapman  
Dr H Christian  
Professor A Logan  
Professor J R Seckl  
Professor R M Sharpe  
Professor A P Weetman  
Professor A White

**Senior Staff:** Mr L Heward-Mills (Chief Executive & Company Secretary)  
Mrs P A Barter (Finance & Administration Director)  
Ms R A Evans (Head of Membership & Professional Affairs)  
Ms H Gregson (Client Services Director)  
Ms T Horner (HR & Performance Manager)  
Ms N Rylett (Head of Sales, Marketing & Communications)  
Ms K Spiller (Head of Publishing)

No staff are registered as directors of the Society at Companies House. The term 'director' is used for internal purposes only.

**Auditor:** haysmacintyre  
Chartered Accountants  
26 Red Lion Square  
London  
WC1R 4AG

**Solicitors:** Royds  
65 Carter Lane  
London  
EC4V 5HF

**Bankers:** National Westminster Bank plc  
Thornbury Branch  
P O Box 1369  
Bristol BS99 5HD  
HSBC Bank plc  
27 Gloucester Road North  
Filton  
Bristol BS27 0SQ

**Investment Managers:** Brewin Dolphin Limited  
2nd Floor  
5 Callaghan Square  
Cardiff

## **SOCIETY FOR ENDOCRINOLOGY**

### **REPORT OF THE COUNCIL OF MANAGEMENT**

#### **Introduction**

The Society for Endocrinology ("the Society") is a charity and a company limited by guarantee. Its members are scientists, doctors, nurses and students with an involvement in endocrinology. The Society's beneficiaries are its members, endocrine patients and their representative groups, students and schoolchildren, and the general public. The Society provides a range of public benefits aimed at providing educational and research support to these groups and these benefits are detailed in the body of this report.

Many endocrine disorders are very common and it is likely that over half of the population will suffer from an endocrine disorder at some point in their lives. For example, one in three women and one in ten men over 65 will suffer an osteoporotic fracture. One in six women have polycystic ovary syndrome and a similar proportion of women over 65 have mild hypothyroidism. In addition, there are a large number of rarer endocrine conditions, including for example Cushing's disease, acromegaly, multiple endocrine neoplasia and congenital adrenal hyperplasia.

The Society's current strategy was agreed by the Trustees in January 2012. The longer term goal is to establish the Society for Endocrinology as a world leading authority on hormones. This will be realised through the completion of a series of projects approved by Council of Management (Council) and scheduled to run between 2012 and 2016. Each project falls within one of five strategic initiative themes: (a) maximise appeal and value to members and non members, (b) be a central gateway to hormone information and knowledge resources, (c) advocate and lobby in support of endocrinology, (d) develop international presence and (e) collaborate with targeted societies and organisations.

Progress against the plan is monitored through regular updates to the Trustees and to the Society's Council.

#### **Structure, governance and management**

The Society was established in 1939 and attained charitable status in 1961. Its governing documents are the Memorandum and Articles of Association, supported by the Bylaws.

The Society is governed by the Council consisting of twelve elected members, fulfilling the dual roles of trustees and directors of the Society. In addition, Committee chairs sit on Council in an ex officio capacity and the Chairman of Bioscientifica Limited and a Young Endocrinologist representative attend Council meetings as observers. Neither the ex officio members nor the observers have a vote and are not trustees or directors.

Officers-elect are invited to attend Council and relevant committee meetings during their shadow year, but are not entitled to vote and are not trustees or directors.

Any Full Member of the Society may nominate any other Full Member for vacant Council positions. If there are more nominations than vacancies, the Full Members are balloted and the result announced at the AGM.

Four of the Council members are designated Officers of the Society. These are the President, General Secretary, Treasurer and Programme Secretary. They are elected specifically to these posts one year in advance of taking office and serve a total of three years in their elected post, except the Treasurer, whose term of office is five years. Other Council members serve a four-year term.

On appointment, and usually before their first Council meeting, all new Council members are invited to attend an induction session. This covers governance, finance and the major areas of activity and is a mixture of information and discussion. Each new Council member is then presented with a Council Reference File that contains all the necessary reference information. Ad hoc trustee briefings are provided on appropriate changes in legislation and requirements.

## SOCIETY FOR ENDOCRINOLOGY

### REPORT OF THE COUNCIL OF MANAGEMENT

#### Structure, governance and management (Continued)

The Society currently has eight committees, which report to Council through their Chair. These are:

Clinical Committee	Public Engagement Committee
Finance Committee	Programme Committee
Nominations Committee	Publications Committee
Nurse Committee	Science Committee

In addition, there is an Officers Sub-committee of Council that handles day-to-day management issues and preparation for Council meetings, a Remuneration Group that manages salaries, bonuses and other staff benefits, a Corporate Liaison Board which provides a forum for two-way communication and advice between the Society and industry and a Young Endocrinologists' Steering Group which is responsible for the Society's strategy and activity for trainee members.

Committee chairs are appointed by Council, with the exception of the Programme Committee (chaired by the Programme Secretary) and the Finance Committee (chaired by the Treasurer). The Chairman of the Publications Committee is a Trustee of the Society and normally the General Secretary. Committees have a degree of autonomy as regards their composition and methods of election/appointment, but always subject to Council's approval. Council reviews the structure and remits of committees from time to time.

Members of the Council serve on the committees, sub-committees and groups of the Society as follows:

Professor K Chapman	Programme (to December 2012), Publications, Science
Dr H Christian	Publications
Professor A B Grossman	Officers, Nominations, Publications, Remuneration
Professor Ann Logan	Finance
Professor C J McCabe	Officers, Programme, Science
Professor D W Ray	Officers, Clinical, Nominations, Publications, Remuneration
Professor R Sharpe	Public Engagement
Professor Anne White	Nominations
Professor G R Williams	Officers, Finance, Publications, Remuneration

Council also appoints the Editors-in-Chief of the three journals owned by the Society, of the Society's newsletter, *The Endocrinologist* and in conjunction with the Executive Committee of the European Society of Endocrinology (ESE), the Editor-in-Chief of *Endocrine Connections*, a journal co-owned by the Society and ESE.

There are role descriptions in place for all Council roles, staff, committees and editors. The Society's staff report to the General Secretary through the Chief Executive.

In 1996, the Society set up a trading subsidiary, Bioscientifica Limited, to raise funds for the Society by providing services to third parties. Bioscientifica Limited's board of directors includes two Officers of the Society, together with several other directors who are not Council members. The Chief Executive of the Society is the Managing Director of Bioscientifica Limited, and the Finance & Administration Director and Client Services Director are also directors. The number of non-executive directors always exceeds the number of executive directors. Bioscientifica remits profits to the Society by Gift Aid, after making provision for the retention of profit for future use and other commitments.

#### *Wider networks and collaborations*

The Society recognises that some of its aims can best be achieved by collaboration with other organisations. To this end, the Society is a member of the Society of Biology, a single unified voice for biology, whose activities include advising Government and influencing policy and advancing education and professional development.

The Society co-ordinates a working group comprising the Society for Endocrinology, Diabetes UK and the Association of British Clinical Diabetologists with the aim of co-ordinating training and clinical practice within the specialty of endocrinology and diabetes. On a broader basis, the Society is represented on the Royal College of Physicians (RCP) Council and a number of its committees and groups to ensure effective training in and delivery of endocrine care. The Society is also a member of the Parliamentary & Scientific Committee, the Foundation for Science and Technology, Understanding Animal Research, the Association of Medical Research Charities, the

## SOCIETY FOR ENDOCRINOLOGY

### REPORT OF THE COUNCIL OF MANAGEMENT

#### Structure, governance and management (Continued)

Association of Learned and Professional Society Publishers, the International Association of Scientific, Technical and Medical Publishers and Sense About Science's Voice of Young Science network.

The Society is an active member of the international endocrine community. As such, it is a member of the International Society of Endocrinology and the European Society of Endocrinology. With the latter, it has set up an alliance whereby three of the Society's journals are also official journals of the European Society, and one is co-owned with the European Society.

The Society also has an alliance with Wiley-Blackwell, whereby their journal *Clinical Endocrinology* is an official journal of the Society.

#### *Risk review*

The Society's risk management statement was reviewed in full in December 2013. The document is supported by other specific documents, including a Health and Safety Statement, fire and security regulations and financial scenario planning models.

#### **General overview**

##### *Objectives and activities*

The object of the Society for Endocrinology is the advancement of public education in endocrinology. This involves projects to inform and educate the public directly, projects to educate and promote research in science, and projects to educate and promote best practice in clinical endocrinology for the public benefit. In furtherance of its objective, the Society has powers to carry out a range of activities, including owning and publishing journals devoted to advancing knowledge of endocrinology.

The Society's long-term charitable objectives are:

1. To advance scientific and clinical education and research in endocrinology for the public benefit
2. To educate and inform the public on all aspects of endocrinology
3. To attract good young scientists, doctors and nurses into endocrinology and to retain them in the discipline, in order to improve science and medicine for the public benefit
4. To raise the profile and be the voice of endocrinology in the UK
5. To promote and support endocrinology worldwide and to foster a sense of community, including working in collaboration with other international organisations.

The Society's main policies to date have been to promote endocrinology for the public benefit by:

1. Publishing journals and a newsletter in the field of endocrinology, to provide education and research resources for scientists, clinicians, nurses and the public
2. Organising conferences and training courses in endocrinology, thus providing educational resources for scientists, doctors, nurses and the public
3. Providing a range of grants to attract high-calibre scientists, doctors and nurses into endocrinology and enable them to contribute effectively to forwarding the science and medicine of endocrinology
4. Awarding medals to recognise outstanding contributions to endocrinology; the recipients lecture at the Society's annual meeting and the abstracts are available free to the public
5. Carrying out public relations activities, including management of a substantial public website, to improve public understanding of the hormone system and the diseases and issues associated with it
6. Supporting patient advocacy groups in endocrinology by means of advice and grants, with a view to improving information and care for patients and carers
7. Ensuring that external bodies, including government departments, higher education bodies, and scientific and medical NGOs, are fully aware of the views of the endocrine community on matters scientific and medical, thus promoting best practice in science and medicine
8. By means of a wholly-owned trading subsidiary, Bioscientifica Limited, to raise funds for the Society by providing products and services to third parties in areas where the Society's staff have expertise
9. Co-ordinating collaborative research projects aimed at disseminating improved information on rare endocrine diseases.

The Council have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

## **SOCIETY FOR ENDOCRINOLOGY**

### **REPORT OF THE COUNCIL OF MANAGEMENT**

#### **General overview (Continued)**

##### *Achievements and performance*

The Society has maintained the breadth and depth of its existing activities, whilst putting plans in place to complete specific reviews of public engagement, membership and education. These activities form part of the Society's plan to reduce reserves and improve its impact on the Future of endocrinology.

The objectives and achievements for each area of activity during the year are highlighted:

#### **Membership**

##### *Objectives and activities*

The Society's membership comprises basic and clinical scientists, clinicians, nurses and students. There are eight categories of membership: Honorary, Senior, Full, Clinician-in-Training, Nurse, Scientist-in-Training, Associate and Student. All categories are eligible to be beneficiaries of the Society's charitable activities and Full, Associates, Nurses; Scientists-in-Training and Clinicians-in-Training are eligible to be beneficiaries of the Society's grants. Those taking advantage of the free Student Membership are eligible for the SfE BES free places and Summer Studentship grants. Only Full Members are eligible to vote in elections. The Society communicates with its members via the quarterly newsletter, monthly and ad hoc email alerts, Twitter, Facebook and the website.

##### *Achievements and performance*

Membership numbers are growing, with 2,278 at December 2012 (2,155 at December 2011). The continued focus on both attracting new members and regaining lapsed members has shown a degree of success and this momentum will be maintained into 2013-14.

#### **Corporate supporters**

##### *Objectives and activities*

The Society also engages a cross-section of industry through the Corporate Supporters scheme. Participants of the scheme elect representatives to the Corporate Liaison Board, which serves as a forum for two-way communication and advice between the Society and industry, regarding for example, regulatory issues, therapeutic development and endocrinology issues.

##### *Achievements and performance*

Engagement with industry representatives achieved 2 Platinum Supporters and 5 Gold Supporters.

#### **Publications**

##### *Objectives and activities*

The Society owns three established, world-class research journals and a newsletter, all of which are published by Bioscientifica. The recently-launched fully Open Access journal, *Endocrine Connections*, which is jointly owned with the European Society of Endocrinology, continues to fulfil the Society's objective to broaden its research base and provide a solid platform in open access publishing.

The Society also has an alliance with Wiley whereby a fifth journal, *Clinical Endocrinology*, is designated the Society's official clinical journal. The journals have a global authorship and reach all subscribed content is available free to members via the secure member area of the website.

The newsletter is primarily aimed at educating endocrinologists and informing them of grants and other support, and fostering a sense of community; it is also distributed to some non-members and is available free to the public on the Society's website.

The Society's publications are its largest area of charitable activity financially, accounting for about two-thirds of the total income from charitable activities. In addition, publishing is an important activity for Bioscientifica extending beyond the Society's own publications.

## SOCIETY FOR ENDOCRINOLOGY

### REPORT OF THE COUNCIL OF MANAGEMENT

#### Publications (Continued)

##### *Achievements and performance*

The financial health of the publishing programme has been maintained despite a continuing adverse environment in many subscribing countries and ongoing uncertainties about the future. One of the main measures of success for journals is the impact factor, a measure of how often an article is cited by other authors. One of the objectives for the journals was to achieve impact factors above 3, and this has been successful for all of the titles, as shown by the latest impact factors (previous year in brackets):

<i>Journal of Endocrinology</i> (JOE)	4.058	(3.548)
<i>Journal of Molecular Endocrinology</i> (JME)	3.577	(3.485)
<i>Endocrine-Related Cancer</i> (ERC)	5.264	(4.364)
<i>Clinical Endocrinology</i> (CE)	3.396	(3.168)

The next objective as been identified to establish the core journals in the top quartile of their impact factors category.

During the year, the Society's further enhanced its publication portfolio by endorsing a new Bioscientifica-published case reports product in collaboration with 10 other international endocrine-related societies. *Endocrinology, Diabetes & Metabolism Case Reports* is a unique, open access resource that publishes and links together case reports, enabling practitioners to communicate findings, share knowledge and convey medical experiences efficiently and effectively; furthering both medical education and clinical practice.

Following the completion of the journal review, a major achievement was the establishment of a JOE/JME joint editorial Board, which was launched in January 2013, with Professor Adrian Clark taking on the role of Senior Editor. This has enhanced the profile and productivity of the board as we seek to maintain position as one of the major endocrine journal publishers.

The Society remains an active participant in the current debate on the future of research communication, and of the place of journals within it.

#### Conferences, events and training activities

##### *Objectives and activities*

The Society organises the UK's major endocrine conference each year – the annual Society for Endocrinology BES meeting, which is held in a variety of locations around the country. This conference promotes research and education for the benefit of endocrinologists and also of the general public. It raises the profile of endocrinology by associated media work and also by placing all abstracts on the web free to all.

The Society organises Clinical Update, the annual national training course for trainee doctors specialising in endocrinology. The Society continues to work in partnership with the RCP and other specialist societies with regard to the examination programme for specialist clinical trainees. Furthermore, the Society organises three Clinical Cases training days each year, a National one in London and two Regional ones elsewhere in the UK. In addition, an annual career development programme is run for the education of early career researchers and, for specialist nurses, there is an annual educational update on best practice.

##### *Achievements and performance*

The SfE BES annual meeting held in Harrogate in March 2013 attracted 1015 delegates (2012 – 958) and received 433 submitted abstracts (2012 – 428). A gross deficit of £67K was incurred.

The Clinical Update, held in Stratford-Upon-Avon in November 2012, attracted 173 delegates (2010 - 197) and produced very good feedback from delegates and faculty alike. The first Regional Clinical Cases Meeting of the year was held in December 2012 in Leeds and attracted 43 total attendees (Exeter 2011 – 46). The second was held in Newport in May 2013 and attracted 89 total attendees (Oxford, 2012 – 68). The Clinical Cases Meeting in London in February 2013 attracted 68 delegates, (2012 - 92). Together, these events generated a gross deficit of £30K.

Conferences and training activities generate about one fifth of the income from charitable activities, as well as some commercial income.



## SOCIETY FOR ENDOCRINOLOGY

### REPORT OF THE COUNCIL OF MANAGEMENT

#### Grants and other awards

##### *Objectives and activities*

The Society's grant programme exists to attract and support good doctors, scientists and nurses, along with providing support for public and patient support group activities. In addition to grants, the Society awards a number of medals and prizes annually, including the Dale, Society, European, Transatlantic, and Hoffenberg International Medals. The Jubilee medal is awarded on an occasional basis. The Society continues to offer Undergraduate and Postgraduate Essay Prizes, intended to encourage scientists and medical and veterinary students to consider a career in endocrinology.

The Society is a member of the Association of Medical Research Charities (AMRC) and its grant assessment processes have been awarded the AMRC Certificate of Best Practice in Medical and Health Research Peer Review.

##### *Achievements and performance*

A total of £675K (2012 - £403K) was given out in grants and £30K (2012 - £40K) in awards. Of the grants, £4K (2012 - £3K) was funded by the Marjorie Robinson Fund, whilst there was no funding from third parties (2012 - £nil). The value of conference grants paid increased to £186K (2012 - £162K). The number of Early Career Grants awarded increased from 10 to 37, 12 of these related to the delayed awards from the 2012 summer round of grants. Consequently, the value of these grants paid was £361K (2012 - £96K). Summer Studentships were awarded at a value of £68K (2012 - £61K).

The Society's Public Engagement Grant scheme continues to provide Society members with funding to carry out their own science communication projects. During the financial year one Public Engagement Grant was awarded. The team continues to work closely with endocrine patient support groups and administer the Patient Support Grant scheme which provides funding for patient groups to carry out projects they would not otherwise be able to afford.

Interest in the Undergraduate Achievement Award remains steady with 11 being awarded in the period. The Society's five annual medals were awarded at BES 2013, but the Dale medal lecture was not presented for reasons of ill health. The 2013 Undergraduate Essay Prize attracted 88 entries, the highest number since it was established, with entries being received from a variety of students, science, medical and veterinary; the majority of the essays were of a very high quality. The postgraduate essay competition in late 2012 attracted 6 entries (2011 – 19).

The number of grant applications and awards are shown in the following table:

	Year to 31 July 2013		Year to 31 July 2012	
	Applications	Awarded	Applications	Awarded
Conference grants	263	224	220	205
SfE BES free places	86	59	62	55
Early career grants programme	79	37	49	10
Summer studentships	33	26	39	22
Patient support grants	0	0	8	8
Public engagement grants	3	1	8	8
Undergraduate achievement awards	11	11	5	5
Practical Skills grants	11	9	6	6
Other	4	2	12	12
Total	<u>458</u>	<u>357</u>	<u>409</u>	<u>331</u>

The costs associated with these grants are disclosed in note 7 to the accounts.

#### Public and media relations

##### *Objectives and activities*

The Public Engagement Committee supports the Public and Media Relations team in their activities, which include raising the profile of endocrinology by working with the media proactively and reactively to promote public

## SOCIETY FOR ENDOCRINOLOGY

### REPORT OF THE COUNCIL OF MANAGEMENT

#### Public and media relations (Continued)

awareness of issues in endocrinology and to ensure that the media have access to accurate and impartial information. The team also organises media training for selected scientists.

The Public and Media Relations team fulfil the remit of providing education to the general public by dealing with public enquiries and by organising events on topical areas of endocrinology at public science festivals usually involving an audience question and answer session. They also run a grant scheme to allow Society members to carry out their own public engagement activities. The team also runs the Society's public information website, *You & Your Hormones* ([www.yourhormones.info](http://www.yourhormones.info)) which provides reliable, scientifically accurate information on hormones and hormone-related conditions in line with the Society's public benefit objective.

The team also fulfil the Society's aim of providing education to the general public by co-ordinating liaison with patient support groups, providing grants to patient groups to assist their public education activities, and assisting them with media activities.

#### *Achievements and performance*

The Society's science communication work continues to be overseen by the Public Engagement Committee, with implementation carried out by the Public & Media Relations team. The team obtained excellent media coverage for the annual SfE BES meeting with a total of 104 clippings from 23 countries.

During the financial year the Society organised four public events. The first event at the Brighton Science Festival in February on hormones across the lifespan attracted over 150 delegates. The second event held at the Edinburgh International Science Festival in April covered the topic of obesity. Finally, two events were held at the Cheltenham Science Festival in June, on hormone replacement therapy and a discussion on key hormones called 'Hormone Fight Club'. These events attracted a combined audience of over 400 people.

The Society's public information website, *You & Your Hormones* ([www.yourhormones.info](http://www.yourhormones.info)) continues to run successfully. The website currently has over 130 articles on hormones and hormone-related conditions. Website visits increased by 569% on the previous year.

#### **Other educational and professional activities**

##### *Objectives and activities*

The Society's programme of activities includes:

- Working closely with the Society of Biology on a range of topics aimed at promoting the biosciences for the public benefit and at educating and supporting scientists.
- Maintaining a large website with research, clinical and education information for use by endocrinologists and the public.
- Supporting ten Special Interest Groups in areas of endocrinology to better co-ordinate education, and clinical and research activities in these areas.
- Running a number of clinical research projects with the aim of improving knowledge of these diseases, educating clinicians about this and thereby improving patient care.
- Developing, updating and publishing clinical guidelines with the aim of supporting best practice in the specialty.
- Running a Certificate in Adult Endocrine Nursing, with the aim of furthering nurse education.
- Managing a programme of clinical interdepartmental review with a view to improving knowledge and patient care for the public benefit.
- Providing careers advice to the public about endocrinology, with the aim of attracting high-calibre scientists, doctors and nurses into endocrinology to improve research, education and patient care.
- Monitoring the basic science education and careers support activities of the Society at graduate level and above.

##### *Achievements and performance*

- The Society's website received 144,350 (a drop of 4.89%) visits from 93,889 unique users (a drop of 5.01%). The most popular areas of the website were Meetings, Grants and careers.
- The Special Interest Groups have had substantial input into meeting programmes and provided networking opportunities for members. They have continued to enhance Society activities; writing guidelines, patient information sheets and collaborating with other key stakeholders
- 14 nurses have gained their Certificate in Adult Endocrine Nursing.

## SOCIETY FOR ENDOCRINOLOGY

### REPORT OF THE COUNCIL OF MANAGEMENT

#### Other educational and professional activities (Continued)

- The UK Acromegaly Register and CaHASE research projects continue to gather valuable data presenting at international meetings (SfE BES 2013, ECE 2013 and ENDO 2013). Press releases were also sent out that were covered in specialist publications MedPage Today, Healio Endocrine Today as well as BioPortfolio, Medical Xpress and Physorg. The team also handled all public and media enquiries.
- The Society has been a major contributor to the Society of Biology (SB), both financially and in terms of input from members and staff. During the period, the Society participated in all relevant task forces and has a member on the Animal Science Group. The Society also part funds a Society of Biology policy post, enabling liaison and collaboration with key parliamentary stakeholders.

#### Volunteers

The Society depends very largely for its success on the time and commitment devoted to it by a large body of volunteers – scientists, clinicians and nurses around the world. Approximately 100 members sit on committees, 110 members and non-members currently serve on journal editorial boards, and many more assist with programme development for meetings, as speakers and chairs, and with other activities. The Society is immensely grateful to all these volunteers for their tireless work.

#### Investment policy and performance

During the year, the discretionary investment management arrangement was reviewed and transferred from Rathbones Investment Management Limited to Brewin Dolphin Limited. There are no restrictions on the Charity's power to invest. The investment strategy is set by the trustees and takes into account income requirements, the risk profile and the investment manager's view of the market prospects.

The policy is to maximise total return through a diversified portfolio whilst providing a level of income advised by the Trustees from time to time. There is also an Ethical Policy excluding investment not to invest in companies that derive more than 10% of their turnover from the tobacco industry or anything clearly injurious to health.

The investment brokers prepare portfolio valuation reports quarterly, with additional reports prepared for each Finance Committee meeting, including comparison with the appropriate benchmarks. The Finance Committee meets three times during the year and the investment manager normally attend at least one meeting.

The value of listed investments increased to £5,066K from £4,418K during the year. The portfolio experienced unrealised gains on investments held at the year-end of £362K. Total investment income for the period was £125K (2012 - £116K). Cash reserves for the Society and Bioscientifica Limited together stood at £1,973K (2012 - £2,984K) at the year-end. This includes cash held on behalf of third parties.

The investments of the Main Fund are shown in notes 14 and 15 to the accounts.

#### Financial review

##### *Financial overview*

The net movement in funds for the year to 31 July 2013, as shown on the Statement of Financial Activities on page 14 of the accounts, shows an increase in surplus of £316K compared to the previous year. Total incoming resources are £22K up on 2012. The Voluntary income relates to royalties from *Clinical Endocrinology*, which remained on a par with last year. The trading income from Bioscientifica is down marginally on last year, as steady growth across the board has helped to compensate for the anticipated fall back from the 2012 activity levels. Continuing pressures on the pharmaceutical company finances have resulted in a reduction in Sponsorship & Exhibitions income. Incoming resources from charitable activities showed steady growth compared with the previous year with improved income from satellites and income arising from the Specialty Certificate in Endocrinology, as a partial return on the Society's investment in prior years. Resources expended increased by £428K compared to 2012, Society events and conferences show an increase in the cost base, which then attracts a larger allocation of support costs. Membership services expenditure is lower than the prior year, which included the costs associated with the strategic review. The Designated Strategy fund shows a substantial increase in costs, as the activities had barely commenced last year. Grant expenditure is higher than last year due to the timing delay in awarding the final round of the Summer 2012 Early Career Grants. The resulting deficit before gains and losses on investments is £350K

## SOCIETY FOR ENDOCRINOLOGY

### REPORT OF THE COUNCIL OF MANAGEMENT

#### Financial review (Continued)

(2012 – £56K surplus). The total realised and unrealised gain on investments is £652K (2012 – £70K loss). Taking all of the above into account leaves a net increase in funds of £301K (2012 – £15K decrease), which is substantially better than budget and the prior year.

Of the various individual funds, the Main Fund (pages 27-29) covers the Society's major activities. The fund showed a deficit before investment income and gains / losses of £1,265K (2012 – £1,086K deficit). The gift aid from Bioscientifica of £915K (2012 - £1,047K) is included in the total investment income of £1,033K (2012 - £1,153K), representing the major source of funding of the Society's activities.

During the year, the work on the office refurbishment was completed at a cost of £308K, the cost of which was largely covered by the transfer of £250K from the designated refurbishment fund.

During 2012, Council earmarked £700K for the strategic activities. £138K has been utilised on the projects in hand, leaving a balance of the original funds of £562K.

Council set a substantial deficit budget for the year with the intention of reducing the surplus reserves. The Main Fund results, prior to the transfers from the designated funds, showed a deficit of £204K, with the release from the designated funds leaving a surplus of £18K before investment gains and losses. After allowing for the gains and losses on investments, the total surplus is £668K (2012 –deficit of £966K).

<i>Other fund results</i>	<i>Surplus/(deficit)</i> <i>£000</i>	<i>Carried forward</i> <i>£000</i>
Marjorie Robinson Fund	1	278
Acromegaly Project Fund	(2)	61
CAHASE Project Fund	(6)	3
Pituitary Apoplexy Fund	5	10
Graves' Disease Fund	1	14
Transition Study Fund	3	3

#### *Reserves policy*

The Society for Endocrinology is the main organisation representing endocrinology in the UK. It organises meetings and training courses, and provides grants, publications and other activities to advance the understanding of endocrinology for the public benefit.

To date, funding has been derived mainly from surpluses from trading company activities, including publishing and event management, and income from investments.

The reserves policy assumes that, in the event of severe financial crisis, the Society would require sufficient funds to run on a going concern basis for a two year period, during which the Society's position would be evaluated. Ongoing projects would be supported for up to two years as new revenue streams and/or systems would be instituted. In the event that no viable alternatives could be identified, the Society would be wound up. It has been assumed that the sale of the office premises would provide sufficient funds to cover any associated costs.

*Conclusion* - Based on the above policy, the Trustees consider that the required level of readily usable reserves, calculated as the value of the group net assets in unrestricted funds less the value of the tangible fixed assets (see note 22), should be £3.02M. The figure for readily available reserves was £4.5M at 31 July 2013 (compared with a figure of £4.09M at 31 July 2012). Therefore, the free reserves exceeded the requirement at that time by £1.48M. Bearing in mind the current plans for strategic activities, there are no immediate plans to utilise this surplus, however it could be used if appropriate projects were identified.

The current strategy focuses on utilising the designated strategic fund and it is recommended that this remaining surplus is currently held, pending any further activities arising from these projects.

## **SOCIETY FOR ENDOCRINOLOGY**

### **REPORT OF THE COUNCIL OF MANAGEMENT**

#### **Financial review (Continued)**

##### *Bioscientifica Limited*

Bioscientifica Limited's profit before gift aid and taxation of £943K (2012: £1,047K) for the year represents a strong performance in the light of the anticipated reduction in activity and investment in new product development. Bioscientifica's international customer profile provides some protection from regional economic issues and although the economic climate remains uncertain there are opportunities for new business growth that have been developed during the period.

Bioscientifica Limited generates funds for the Society by providing products and services to third parties in areas where the Society's staff have expertise. This also allows cost-effective sharing of overheads. Bioscientifica's main areas of activity are publishing (journals, books), event organising (conferences, workshops, investigators' meetings and training courses), association management provision (secretariat services, newsletters, public & media relations and website management). The main customer and client groups are scientific & medical societies, the pharmaceutical industry, international universities and research institutions. A summary of financial results is shown in note 3 to the accounts, and Bioscientifica will remit to the Society the sum of £915K for the financial year to 31 July 2013. Bioscientifica has a retained reserve of £50K brought forward from previous years. This reserve would be available to the Society in case of need.

The Bioscientifica Limited annual business plan forms the basis of current and future activity across the company's main divisions and identifies targets for product development and growth as well as operational and strategic risks to the company. Business strategy is predicated on growth and development within both publishing and client services, and on the consolidation of major client relationships.

#### **Plans for future periods**

##### *Strategy*

The Society's 2012-15 strategic plan is well under way, with a designated fund identified to pay for defined strategic projects. The strategy was approved by Council in January 2012, and provides an opportunity to refocus Society activities into clearly defined areas. The long term objective is to create an organisation that is a world leading authority on hormones. In order to achieve this clear targets and milestones have been set, with the Council reviewing progress at regular meetings.

Council have strongly endorsed this approach. The Society has been in the fortunate position to have a strong level of reserves, and the implementation of new and sustainable initiatives can be achieved whilst maintaining this solid base.

The Society's trustees and staff are acutely aware of the wide range of external variables currently deemed unstable and make use of a scenario planning tool that allows the Trustees, Finance Committee and staff to be aware of the effects of changes to external variables and of their own proposed decisions on the Society's longer-term financial health and will be significant in informing plans for the strategy discussions.

A major review of Society meetings, events and education provision is planned for 2013, to ensure that current activities are satisfying needs of members and to determine areas where needs are not being met. Recommendations will be made to Council in 2014.

In addition, a review of the Society's public website and engagement strategy is also in progress. This review will be completed during 2013, with recommendation for development also going to Council during 2014.

#### **Statement of Trustees' responsibilities**

The Trustees (who are also Directors of The Society for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company and charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;

## **SOCIETY FOR ENDOCRINOLOGY**

### **REPORT OF THE COUNCIL OF MANAGEMENT**

#### **Statement of Trustees' responsibilities (Continued)**

- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the Trustees are aware:

- There is no relevant information of which the society's auditor is not aware and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

#### **Funds held as custodian trustee on behalf of others**

Within Bioscientifica Limited are held funds of £1,170K belonging to clients of the company. These funds relate to contracts which involve Bioscientifica collecting and holding income on behalf of clients that is usually utilised to pay client expenditure before remitting the surplus to the client.

#### **Auditors**

A resolution proposing the re-appointment of haysmacintyre as auditors of the Society will be put to the members at the Annual General Meeting.

Registered Office:           22 Apex Court  
  Woodlands  
  Bradley Stoke  
  Bristol  
  BS32 4JT

By order of the Council and signed on their behalf by

D W Ray  
General Secretary

27 January 2014

## **SOCIETY FOR ENDOCRINOLOGY**

### **Independent Auditor's Report to the Members and Trustees of Society for Endocrinology**

We have audited the financial statements of Society for Endocrinology for the year ended 31 July 2013 which comprise the Consolidated Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Consolidated Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

#### **Respective responsibilities of trustees and auditor**

As explained more fully in the Trustees' Responsibilities Statement set out on page 12, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Council of Management to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's and group's affairs as at 31 July 2013 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Council of Management for the financial year for which the financial statements are prepared is consistent with the financial statements.

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Kathryn Burton (Senior Statutory Auditor)**  
for and on behalf of haysmacintyre  
Chartered Accountants and Statutory Auditors  
Date: 27 January 2014

**26 Red Lion Square**  
**London**  
**WC1R 4AG**

**SOCIETY FOR ENDOCRINOLOGY**

**Consolidated statement of financial activities for the year ended 31 July 2013  
incorporating the income and expenditure account**

	Note	Unrestricted funds £	Restricted funds £	Endowment fund £	2013 Total £	2012 Total £
<b>Incoming resources</b>						
<i>Incoming resources from charitable activities</i>	4	1,988,550	54,891	-	2,043,441	1,987,322
<i>Incoming resources from generated funds</i>						
Voluntary income	5	140,420	-	-	140,420	142,378
Activities for generating funds	6	2,446,376	-	-	2,446,376	2,488,321
Investment income		119,889	-	5,400	125,289	115,717
<b>Total incoming resources</b>		<u>4,695,235</u>	<u>54,891</u>	<u>5,400</u>	<u>4,755,526</u>	<u>4,733,738</u>
<b>Resources expended</b>						
<i>Charitable activities</i>	7	2,391,689	60,193	-	2,451,882	2,045,138
<i>Cost of generating funds</i>						
Cost of generating voluntary income		5,364	-	-	5,364	22,034
Fundraising trading: cost of goods sold and other costs	8	2,470,228	-	-	2,470,228	2,415,518
Investment management costs		11,996	-	1,131	13,127	24,423
<i>Governance costs</i>	9	165,499	-	-	165,499	170,922
<b>Total resources expended</b>		<u>5,044,776</u>	<u>60,193</u>	<u>1,131</u>	<u>5,106,100</u>	<u>4,678,035</u>
<b>Net (outgoing)/incoming resources before transfers</b>						
Transfers between funds	11	(349,541)	(5,302)	4,269	(350,574)	55,703
		<u>(1,200)</u>	<u>5,200</u>	<u>(4,000)</u>	<u>-</u>	<u>-</u>
<b>Net (outgoing)/incoming resources before other recognised gains</b>						
Realised gains/ (losses) for the year		(350,741)	(102)	269	(350,574)	55,703
		<u>289,661</u>	<u>-</u>	<u>-</u>	<u>289,661</u>	<u>(24,961)</u>
<b>(Deficit)/surplus for the year</b>		(61,080)	(102)	269	(60,913)	30,742
Unrealised gains/(losses) on investment assets		361,051	-	925	361,976	(45,390)
<b>Net movement in funds</b>		<u>299,971</u>	<u>(102)</u>	<u>1,194</u>	<u>301,063</u>	<u>(14,648)</u>
<b>Total funds at 1 August 2012</b>						
		<u>5,870,940</u>	<u>91,612</u>	<u>276,551</u>	<u>6,239,103</u>	<u>6,253,751</u>
<b>Total funds at 31 July 2013</b>						
		<u>6,170,911</u>	<u>91,510</u>	<u>277,745</u>	<u>6,540,166</u>	<u>6,239,103</u>

All of the above amounts relate to continuing activities.

The notes on pages 17 to 26 form part of these financial statements



## SOCIETY FOR ENDOCRINOLOGY

### Consolidated and Charity balance sheets at 31 July 2013

	Note	Group 2013 £	Charity 2013 £	Group 2012 £	Charity 2012 £
<b>Fixed assets</b>					
Tangible assets	13	1,138,516	1,106,254	849,012	849,012
Investment property	14	-	-	-	-
Listed investments	15	5,065,777	5,065,777	4,417,793	4,417,793
Investment in Bioscientifica Limited		-	1,000	-	1,000
		<u>6,204,293</u>	<u>6,173,031</u>	<u>5,266,805</u>	<u>5,267,805</u>
<b>Current assets</b>					
Debtors	16	975,563	288,009	1,155,069	684,881
Cash at bank and in hand	17	<u>1,973,150</u>	<u>384,857</u>	<u>2,983,717</u>	<u>460,150</u>
		2,948,713	672,866	4,138,786	1,145,031
<b>Creditors</b>					
Amounts falling due within one year	18	<u>2,612,840</u>	<u>354,740</u>	<u>3,166,488</u>	<u>222,742</u>
<b>Net current assets</b>		<u>335,873</u>	<u>318,126</u>	<u>972,298</u>	<u>922,289</u>
<b>Total assets less current liabilities</b>		6,540,166	6,491,157	6,239,103	6,190,094
<b>Funds</b>					
Unrestricted:					
Main Fund	19	5,559,490	5,559,490	4,891,417	4,891,417
Designated Strategy Fund		562,412	562,412	680,514	680,514
Designated Refurbishment Fund		-	-	250,000	250,000
Bioscientifica Limited		<u>49,009</u>	<u>-</u>	<u>49,009</u>	<u>-</u>
		<u>6,170,911</u>	<u>6,121,902</u>	<u>5,870,940</u>	<u>5,821,931</u>
Restricted:					
Acromegaly Fund	20	61,307	61,307	63,680	63,680
CaHASE Fund		3,483	3,483	9,505	9,505
Pituitary Apoplexy		10,152	10,152	5,116	5,116
Graves' Disease		13,643	13,643	13,090	13,090
Transition Study		<u>2,925</u>	<u>2,925</u>	<u>221</u>	<u>221</u>
Endowment:					
The Marjorie Robinson Fund	21	<u>91,510</u>	<u>91,510</u>	<u>91,612</u>	<u>91,612</u>
		<u>277,745</u>	<u>277,745</u>	<u>276,551</u>	<u>276,551</u>
		<u>6,540,166</u>	<u>6,491,157</u>	<u>6,239,103</u>	<u>6,190,094</u>

These financial statements were approved by the directors and authorised for issue on 27 January 2014, and are signed on their behalf by:

**D W RAY**

**GENERAL SECRETARY**

**G R WILLIAMS**

**TREASURER**

Company registration number: 349408.

The notes on pages 17 to 26 form part of these financial statements

**SOCIETY FOR ENDOCRINOLOGY**

**Consolidated cashflow statement for the year ended 31 July 2013**

	Note	2013	2012
		£	£
<b>Net cash outflow from operating activities</b>	<b>a</b>	(702,966)	(365,777)
<b>Returns on investments and servicing of finance</b>			
Dividends received		119,563	109,339
Interest received		<u>5,726</u>	<u>6,378</u>
Cash inflow from returns on investment and servicing of finance		<u>125,289</u>	<u>115,717</u>
<b>Capital expenditure</b>			
Payments to acquire fixed assets		(439,108)	(84,236)
Purchase of investments		(3,522,396)	(723,103)
Movement in cash awaiting investment		15,247	120,295
Proceeds from sale of investment property		-	189,000
Proceeds from sale of fixed assets		2,565	-
Proceeds from sale of investments		<u>3,510,802</u>	<u>416,417</u>
Cash outflow from capital expenditure		<u>(432,890)</u>	<u>(81,627)</u>
Decrease in cash during year	<b>c</b>	<u>(1,010,567)</u>	<u>(331,687)</u>

**Notes to Cashflow Statement**

**a: Reconciliation of net incoming resources to net cash outflow from operating activities**

Net incoming/(outgoing) resources	301,063	(14,648)
Dividends received	(119,563)	(109,339)
Interest received	(5,726)	(6,378)
Decrease/(increase) in debtors	179,506	(532,063)
Increase/(decrease) in creditors	(553,648)	144,492
Depreciation	102,712	70,808
Loss on disposal of investment property	-	11,000
Loss on disposal of tangible assets	44,327	-
Unrealised gains on investment	(361,976)	45,390
Realised gains on investment	<u>(289,661)</u>	<u>24,961</u>
Net cash outflow from operating activities	<u>(702,966)</u>	<u>(365,777)</u>

**b: Reconciliation of net cash outflow to movement in net funds**

Decrease in cash in the year	(525,453)	(74,693)
Movement in short term deposits in the year	(485,114)	(256,994)
Opening net funds	<u>2,983,717</u>	<u>3,315,404</u>
Closing net funds	<u>1,973,150</u>	<u>2,983,717</u>

**c: Analysis of changes in net debt**

	1 August 2012	Cash Flows	31 July 2013
Cash at bank and in hand	892,908	(525,453)	367,455
Short term deposits	<u>2,090,809</u>	<u>(485,114)</u>	<u>1,605,695</u>
Net cash outflow from operating activities	<u>2,983,717</u>	<u>(1,010,567)</u>	<u>1,973,150</u>

# SOCIETY FOR ENDOCRINOLOGY

## Notes to the accounts for the year ended 31 July 2013

### 1. Accounting policies

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005) issued in March 2005, with applicable accounting standards and the Companies Act 2006.

The statement of financial activities (SOFA) and balance sheet consolidate the financial statements of the charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line-by-line basis.

The charity has taken exemption from presenting a separate statement of financial activities under section 408 of the Companies Act 2006. The parent undertakings' total surplus for the year was £301,063 (2012: deficit of £14,618).

#### a) Listed investments and investment property

Listed investments are stated at market value at the year-end.

Gains and losses on disposal and revaluation of investments are charged or credited to the SOFA.

#### b) Depreciation

Fixed assets are capitalised where the total cost exceeds £200.

Depreciation is provided on all tangible assets other than freehold land to write off the cost, less estimated residual value of each asset over its expected useful life.

The estimated useful lives are as follows:

Buildings	: 50 years
Leasehold Premises	: 4 years & 7 months (the duration of the lease)
Freehold Improvements, Fixtures and Fittings	: 5 to 10 years
Office Equipment	: 3 to 5 years

#### c) Pensions

The Society contributes to the personal pension arrangements of certain staff. The assets are held separately from those of the Society in independently administered funds. The contributions are charged to the statement of financial activities on a payments basis. The contributions paid are shown in note 12.

#### d) Incoming resources

Income includes:-

- i. Donations received during the year
- ii. Grants and royalties which are accounted for on a receivable basis
- iii. Investment income received during the period includes dividends and bank interest, on an accruals basis
- iv. Subscriptions which are accounted for on the accruals basis and deferred if paid in advance
- v. Sponsorship, event income and book other publication income are recognised when delivered

#### e) Resources expended and basis of allocation of costs

Expenditure is included when incurred and is matched with the relevant income stream.

Governance costs include items such as Council and committee expenses, costs of meeting constitutional and statutory requirements, financial reporting costs and an apportionment of support costs.

Grants payable are recognised when the amount of the award is fixed, approved and verified.

All other costs are attributed as set out in notes 1g) to 1n) below.

#### f) Costs of generating funds

These include all costs of the activities of the trading subsidiary (excluding the Society-owned publications), investment managers' fees and any costs associated with generating voluntary income.

#### g) Costs of Charitable activities

This represents the costs that relate to the generation of income to further the charity's objects.

#### h) Support costs

Support costs shown in note 10 represent the indirect costs incurred in providing support for all activities of the charity. These have been allocated on the basis of the direct costs of the relevant activity.

## SOCIETY FOR ENDOCRINOLOGY

### Notes to the accounts for the year ended 31 July 2013 (continued)

#### i) Foreign currencies

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Bank balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year-end.

#### j) Fund accounting

The nature and purpose of each fund are explained in notes 19, 20 and 21.

#### k) Client accounts

The accounts held separately within debtors and creditors represent separate funds in respect of clients for whom the Society's subsidiary acts as an agent.

#### l) Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease

#### m) Taxation

The charitable company is exempt from corporation tax under S505 of the Income and Corporation Taxes Act 1988.

### 2. Incoming resources

An analysis of incoming resources by geographical location is given below:

	<b>2013</b>	<b>2012</b>
	<b>Group</b>	<b>Group</b>
	<b>%</b>	<b>%</b>
United Kingdom	39	39
Europe	36	39
North America	16	13
Rest of the World	9	9
	<u>100</u>	<u>100</u>

### 3. Net income from trading activities of subsidiary

The Society owns 1000 ordinary shares of £1 each at a total value of £1,000, representing the whole of the issued share capital of Bioscientifica Limited, a company incorporated in the United Kingdom. Bioscientifica Limited carries out journal and book publishing projects as well as providing conference and other services to the scientific community. A summary of the trading results is set out below.

#### Summary profit and loss account

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Turnover	3,869,256	3,905,290
Cost of sales	<u>1,625,927</u>	<u>1,686,306</u>
Gross profit	2,243,329	2,218,984
Administration	<u>1,332,102</u>	<u>1,195,823</u>
Operating profit	911,227	1,023,161
Interest receivable and similar income	<u>31,975</u>	<u>23,909</u>
Profit on ordinary activities	943,202	1,047,070
Gift Aid	<u>(943,202)</u>	<u>(1,047,070)</u>
Profit before taxation	-	-
Taxation	<u>-</u>	<u>-</u>
Retained in subsidiary	<u>-</u>	<u>-</u>

## SOCIETY FOR ENDOCRINOLOGY

### Notes to the accounts for the year ended 31 July 2013 (continued)

#### 3. Net income from trading activities of subsidiary (Continued)

	2013 £	2012 £
<b>Total assets and liabilities of the subsidiary were:</b>		
Fixed assets	32,262	-
Current assets	2,323,361	3,519,059
Creditors: amounts falling due within one year	<u>(2,305,614)</u>	<u>(3,469,050)</u>
 Total net assets	 <u>50,009</u>	 <u>50,009</u>
 Aggregate share capital and reserves	 <u>50,009</u>	 <u>50,009</u>

The gift aid for the year of £943,202 was distributed as follows, £914,906 to the Society for Endocrinology and £28,296 to the recently approved Bioscientifica trust.

#### 4. Incoming resources from charitable activities

	Unrestricted funds £	Restricted funds £	Endowment fund £	2013 Total £	2012 Total £
Publications	1,400,847	-	-	1,400,847	1,421,192
Society events and conferences (see below)	455,397	-	-	455,397	398,197
Other membership services (including subscriptions)	130,306	-	-	130,306	115,511
Grants received	<u>2,000</u>	<u>54,891</u>	-	<u>56,891</u>	<u>52,422</u>
	<u>1,988,550</u>	<u>54,891</u>	-	<u>2,043,441</u>	<u>1,987,322</u>

Income from Society events  
and conferences includes:

	2013 £	2012 £
The Society annual meeting	309,879	236,171
Training and other registration fees	<u>145,518</u>	<u>162,026</u>
	<u>455,397</u>	<u>398,197</u>

#### 5. Voluntary income

	Unrestricted funds £	Restricted funds £	Endowment fund £	2013 Total £	2012 Total £
Royalties received	<u>140,420</u>	-	-	<u>140,420</u>	<u>142,378</u>

#### 6. Activities for generating funds

	Unrestricted funds £	Restricted funds £	Endowment fund £	2013 Total £	2012 Total £
Trading income from subsidiary company	2,355,642	-	-	2,355,642	2,373,343
Sponsorship and exhibitions	<u>90,734</u>	-	-	<u>90,734</u>	<u>114,978</u>
	<u>2,446,376</u>	-	-	<u>2,446,376</u>	<u>2,488,321</u>

# SOCIETY FOR ENDOCRINOLOGY

## Notes to the accounts for the year ended 31 July 2013 (continued)

### 7. Charitable activities

	Direct costs £	Grants paid £	Support costs (note 10) £	2013 Total £	2012 Total £
Publications	536,444	-	-	536,444	513,146
Society events and conferences	514,767	-	168,436	683,203	566,416
Other membership services (including subscriptions paid)	285,513	675,005	93,422	1,053,940	894,643
Designated Strategy Fund	118,102	-	-	118,102	19,486
Society research projects	60,193	-	-	60,193	51,447
	<u>1,515,019</u>	<u>675,005</u>	<u>261,858</u>	<u>2,451,882</u>	<u>2,045,138</u>

Subscriptions paid by the group include the following:

	2013 £	2012 £
Society of Biology	30,000	32,000
International Society of Endocrinology	4,271	4,054
Foundation for Science and Technology	160	154
Understanding Animal Research	521	511
Association of Medical Research Charities	1,231	654
Parliamentary and Scientific Committee	<u>325</u>	<u>325</u>

Grants paid are made up as follows:

	No.	Grants paid £	Staff and other costs £	2013 £	2012 £
<i>Grants payable to individuals:</i>					
Individual grants for attendance at meetings and conferences	283	182,371	3,459	185,830	161,917
Summer Studentships	26	65,584	2,903	68,487	60,794
Early Career Grants	37	350,660	10,466	361,126	96,495
Practical Skills Grants	9	15,143	564	15,707	9,480
<i>Total grants payable to individuals</i>		<u>613,758</u>	<u>17,392</u>	<u>631,150</u>	<u>328,686</u>
<i>Grants payable to institutions:</i>					
Patient support grants	-	-	-	-	22,512
Public engagement grants	1	998	103	1,101	7,952
Undergraduate Achievement Award	11	9,900	-	9,900	4,839
Other grants	12	30,339	2,515	32,854	38,974
<i>Total grants payable to institutions</i>		<u>41,237</u>	<u>2,618</u>	<u>43,855</u>	<u>74,277</u>
Total grants paid		<u>654,995</u>	<u>20,010</u>	<u>675,005</u>	<u>402,963</u>

Grants payable to individuals may be made payable to the workplace for the benefit of the individual.

## SOCIETY FOR ENDOCRINOLOGY

### Notes to the accounts for the year ended 31 July 2013 (continued)

#### 8. Fundraising trading

	2013 £	2012 £
Trading costs of subsidiary company	2,440,881	2,364,233
Sponsorship and exhibitions	<u>29,347</u>	<u>51,285</u>
	<u>2,470,228</u>	<u>2,415,518</u>

#### 9. Governance costs

Governance costs are made up as follows:

	2013 £	2012 £
Council and committee expenses	109,442	116,943
Statutory and constitutional costs	15,255	17,816
Support costs (note 10)	<u>40,802</u>	<u>36,163</u>
	<u>165,499</u>	<u>170,922</u>

#### 10. Support costs

Support costs are included under:

	2013 £	2012 £
Charitable activities (note 7)	261,858	223,870
Governance costs (note 9)	<u>40,802</u>	<u>36,163</u>
	<u>302,660</u>	<u>260,033</u>

These costs are made up as follows:

	2013 £	2012 £
Finance and administration	387,432	411,048
Sales, marketing and communications	121,033	-
Insurance	27,254	30,362
Establishment	145,825	105,984
IT and communications	121,618	56,394
Depreciation	145,341	70,808
Less overheads recharged	<u>(645,843)</u>	<u>(414,563)</u>
	<u>302,660</u>	<u>260,033</u>

#### 11. Net (expenditure)/income for the year

	2013 £	2012 £
This is stated after charging:		
Depreciation	102,712	70,808
Loss on disposal of fixed assets	44,327	-
Auditors' remuneration:		
Audit services	13,325	13,000
Accountancy and other services	<u>425</u>	<u>5,735</u>

## SOCIETY FOR ENDOCRINOLOGY

### Notes to the accounts for the year ended 31 July 2013 (continued)

#### 12. Staff costs

Staff costs during the year amounted to:

	2013 £	2012 £
Salaries	1,769,787	1,615,349
Social security costs	172,165	166,839
Other pension costs	<u>96,520</u>	<u>87,189</u>
	<u>2,038,472</u>	<u>1,869,377</u>

The number of employees whose remuneration was within the bands stated was as follows:

	Number	Number
£60,001 - £70,000	3	1
£100,001-£110,000	<u>1</u>	<u>1</u>

The average number of employees (full-time equivalent) analysed by function was:

	Number	Number
Charitable activities	41	38
Administration	<u>14</u>	<u>12</u>
	<u>55</u>	<u>50</u>

The members of the Council of Management received no remuneration for their services (2012: £Nil).

Travel and subsistence expenses were reimbursed to 10 current and past members of the Council of Management totalling £9,294 (2012: 14 members, £16,108)

The Society holds indemnity insurance to indemnify the Society, its employees and agents in respect of neglect and default on their part. The cost of insurance was £15,688 (2012: £14,999).

#### 13. Tangible assets

	Freehold land and buildings	Leasehold premises	Freehold improvements, fixtures & fittings	Office Equipment	Charity Total	Development Costs	Group Total
Cost:	£	£	£	£	£	£	£
1 August 2012	848,017	40,976	193,903	437,512	1,520,408	-	1,520,408
Additions	-	-	318,556	86,592	405,148	33,960	439,108
Disposals	-	(40,976)	(182,453)	(197,893)	(421,322)	-	(421,322)
31 July 2013	848,017	-	330,006	326,211	1,504,234	33,960	1,538,194
Depreciation:							
1 August 2012	156,880	17,096	159,838	337,582	671,396	-	671,396
Provided this year	16,961	4,417	43,064	36,572	101,014	1,698	102,712
Eliminated on disposal	-	(21,513)	(155,024)	(197,893)	(374,430)	-	(374,430)
31 July 2013	173,841	-	47,878	176,261	397,980	1,698	399,678
Net book value:							
31 July 2013	674,176	-	282,128	149,950	1,106,254	32,262	1,138,516
31 July 2012	691,137	23,880	34,065	99,930	849,012	-	849,012



# SOCIETY FOR ENDOCRINOLOGY

## Notes to the accounts for the year ended 31 July 2013 (continued)

### 14. Investment property – group and charity

<b>Cost or valuation</b>	<b>2013</b> £	<b>2012</b> £
At 1 August 2012	-	200,000
Disposals	-	(189,000)
Realised investment loss	-	(11,000)
Market value on 31 July 2013	<u>-</u>	<u>-</u>

### 15. Listed investments

	<b>Group and Charity 2013</b> £	<b>Group and Charity 2012</b> £
Market value on 1 August 2012	4,417,793	4,301,753
Additions	3,522,396	723,103
Disposals	(3,221,141)	(441,378)
Movement in cash awaiting investment	(15,247)	(120,295)
Net unrealised investment gains/(losses)	<u>361,976</u>	<u>(45,390)</u>
Market value on 31 July 2013	<u>5,065,777</u>	<u>4,417,793</u>

	<b>£</b>	<b>£</b>
The market value at 31 July 2013 comprises:		
Listed investments	4,964,744	4,301,514
Cash awaiting investment	<u>101,033</u>	<u>116,279</u>
	<u>5,065,777</u>	<u>4,417,793</u>

The historical cost of investments was £4,347,669 (2012: £3,680,253). At 31 July 2013, there were no individual holdings which represented at least 5% of the total value of listed investments.

### 16. Debtors

	<b>Group 2013</b> £	<b>Charity 2013</b> £	<b>Group 2012</b> £	<b>Charity 2012</b> £
Clients' accounts	490,054	-	616,104	-
Trade and other debtors	319,257	65,347	296,885	8,203
Amounts due from subsidiary	-	142,869	-	525,304
Prepayments and accrued income	<u>166,252</u>	<u>79,793</u>	<u>242,080</u>	<u>151,374</u>
	<u>975,563</u>	<u>288,009</u>	<u>1,155,069</u>	<u>684,881</u>

## SOCIETY FOR ENDOCRINOLOGY

### Notes to the accounts for the year ended 31 July 2013 (continued)

#### 17. Cash at bank and in hand

	Group 2013 £	Charity 2013 £	Group 2012 £	Charity 2012 £
Bank current accounts	353,717	(264,441)	886,200	(137,859)
Monies held on deposit	1,605,695	647,499	2,090,809	595,109
Petty cash	<u>13,738</u>	<u>1,799</u>	<u>6,708</u>	<u>2,900</u>
	<u>1,973,150</u>	<u>384,857</u>	<u>2,983,717</u>	<u>460,150</u>

A significant proportion of income is received by way of annual subscriptions paid in advance; balances at the bank include funds to cover expenditure incurred during the remaining five months of the calendar year. The Group balances include funds held in respect of the activities of clients of the trading subsidiary.

#### 18. Creditors: Amounts falling due within one year

	Group 2013 £	Charity 2013 £	Group 2012 £	Charity 2012 £
Trade creditors	157,934	77,186	162,770	67,993
Clients' accounts	1,659,957	-	2,263,371	-
Deferred income	624,560	158,650	669,827	98,186
Other taxes and social security	60,778	61,906	22,158	21,770
Other creditors and accruals	<u>109,611</u>	<u>56,998</u>	<u>48,362</u>	<u>34,793</u>
	<u>2,612,840</u>	<u>354,740</u>	<u>3,166,488</u>	<u>222,742</u>

#### Deferred income

Deferred income at 1 August 2012	669,827	98,186
Resources deferred in year	624,560	158,650
Amounts taken to income in the year	<u>(669,827)</u>	<u>(98,186)</u>
Deferred income at 31 July 2013	<u>624,560</u>	<u>158,650</u>

#### 19. Unrestricted funds

	Balance 1 August 2012 £	Movement in resources		Transfer between funds £	Investment Gains / (Losses) £	Balance 31 July 2013 £
		Incoming £	Outgoing £			
Main Fund	4,891,417	930,507	(1,996,782)	1,083,636	650,712	5,559,490
Designated Strategy Fund	680,514	-	(118,102)	-	-	562,412
Designated Refurbishment Fund	250,000	-	-	(250,000)	-	-
Bioscientifica Limited	<u>49,009</u>	<u>3,764,728</u>	<u>(2,929,892)</u>	<u>(834,836)</u>	-	<u>49,009</u>
	<u>5,870,940</u>	<u>4,695,235</u>	<u>(5,044,776)</u>	<u>(1,200)</u>	<u>650,712</u>	<u>6,170,911</u>

Bioscientifica Limited profits of £915K were transferred to the Main Fund as gift aid.

In 2012, the trustees allocated £700,000 to the designated strategy fund to meet the costs of the new strategic initiatives. These projects are now under way and it is anticipated that the initiatives will continue to be developed over the next two years, over which time the funds will be utilised.

The consolidation of the Bristol office accommodation into the main building at Unit 22 Apex Court was completed during the year and the funds to cover the costs transferred from the designated refurbishment fund to the main fund

## SOCIETY FOR ENDOCRINOLOGY

### Notes to the accounts for the year ended 31 July 2013 (continued)

#### 20. Restricted funds

	Balance 1 August 2012 £	Movement in resources		Transfer between funds £	Investment Gains / (Losses) £	Balance 31 July 2013 £
		Incoming £	Outgoing £			
Acromegaly Fund	63,680	40,000	(46,373)	4,000	-	61,307
CaHASE Fund	9,505	-	(7,222)	1,200	-	3,483
Pituitary Apoplexy	5,116	5,281	(245)	-	-	10,152
Graves' Disease	13,090	4,473	(3,920)	-	-	13,643
Transition Study	221	5,137	(2,433)	-	-	2,925
	<u>91,612</u>	<u>54,891</u>	<u>(60,193)</u>	<u>5,200</u>	<u>-</u>	<u>91,510</u>

The Acromegaly fund is used to finance the administration of a national research register on a rare disease called acromegaly.

The CaHASE fund is used to run a project which aims to provide further understanding of the rare disease called congenital adrenal hyperplasia.

The Pituitary Apoplexy fund is used to finance the audit of the Society's guidance on the rare emergency condition of apoplexy.

The Grave's Disease fund is used to finance the audit of patient outcomes after radioiodine treatment.

The Transition Study is used to finance the evaluation of transitional care in endocrinology.

#### 21. Endowment fund

	Balance 1 August 2012 £	Movement in resources		Transfer between funds £	Investment Gains / (Losses) £	Balance 31 July 2013 £
		Incoming £	Outgoing £			
The Marjorie Robinson Fund	<u>276,551</u>	<u>5,400</u>	<u>(1,131)</u>	<u>(4,000)</u>	<u>925</u>	<u>277,745</u>

Miss Robinson left a legacy to the Charity to provide for research into pituitary and/or adrenal disease.

#### 22. Analysis of group net assets between funds

	Unrestricted funds £	Restricted funds £	Endowment fund £	Transfer between funds £	2013 Total £	2012 Total £
Tangible fixed assets	1,138,516	-	-	-	1,138,516	849,012
Listed investments	4,801,886	-	263,891	-	5,065,777	4,417,793
Debtors	975,563	114,010	-	(114,010)	975,563	1,155,069
Cash at bank and in hand	1,957,900	-	15,250	-	1,973,150	2,983,717
Creditors	<u>(2,702,954)</u>	<u>(22,500)</u>	<u>(1,396)</u>	<u>114,010</u>	<u>(2,612,840)</u>	<u>(3,166,488)</u>
	<u>6,170,911</u>	<u>91,510</u>	<u>277,745</u>	<u>-</u>	<u>6,540,166</u>	<u>6,239,103</u>

## SOCIETY FOR ENDOCRINOLOGY

### Notes to the accounts for the year ended 31 July 2013 (continued)

#### 23. Transfers between funds

During the year the following transfers were made between funds:

	2013	2012
	£	£
<i>From the Main Fund to:</i>		
Designated Strategy Fund	-	700,000
Designated Refurbishment Fund	-	250,000
Acromegaly Fund to contribute to the support costs of the fund	4,000	4,000
CaHase Fund to contribute to the support costs of the fund	1,200	1,200
	<u>1,200</u>	<u>1,200</u>
<i>From the Marjorie Robinson Fund to:</i>		
Main Fund to support grants for research into pituitary and/or adrenal disease	4,000	2,750
	<u>4,000</u>	<u>2,750</u>

#### 24. Commitments under operating leases

At 31 July 2013 the Society had aggregate annual commitments under non-cancellable operating leases as set out below:

	2013	2012
	£	£
Operating leases which expire:		
Within 1 year	5,140	-
Within 2 to 5 years	-	30,840
	<u>-</u>	<u>30,840</u>

#### 25. Capital commitments

Capital commitments contracted and authorised at the year end were £Nil (2012: £27,300).

Capital commitments authorised but not contracted at the year end were £Nil (2012: £250,000)

#### 26. Related party transactions

The charity has taken advantage of the exemption available under FRS8 not to disclose transactions with the subsidiary company.

As disclosed in note 7, group subscriptions have been made to certain organisations where a member of the Society for Endocrinology's Council of Management holds a position of control. No member of the Council of Management exercised any significant influence over these transactions. Where members of the Council of Management are in a position to exercise significant influence they declare their interest and exclude themselves from any relevant discussions. In extreme cases, where this approach is not sufficient, discussions are held with the individual regarding standing down from one of the organisations.

No other related party transactions have occurred in the year

#### 27. Contingent liabilities

There were no contingent liabilities at the year-end.

